APPENDIX C

CONDITIONS

As a condition of the grant authorized herein, Bell Atlantic and NYNEX shall comply with the following conditions:

- 1. Bell Atlantic/NYNEX shall prepare and provide Performance Monitoring Reports as follows:
- a. Bell Atlantic/NYNEX shall, at a minimum, develop and maintain the data necessary to complete Performance Monitoring Reports that include the performance measures set out in Appendix D.
- b. Bell Atlantic/NYNEX shall, at a minimum, provide upon request to each carrier purchasing interconnection (which for purposes of this letter includes interconnection, transport and termination, services for resale, and/or access to unbundled network elements under section 251 of the Communications Act of 1934, as amended) Performance Monitoring Reports regarding Bell Atlantic/NYNEX's provision of: i) services to Bell Atlantic/NYNEX's retail customers in the aggregate; ii) services and facilities provided to any Bell Atlantic/NYNEX decides to operate a wholesale carrier); iii) services and facilities provided to carriers purchasing interconnection in the aggregate; and iv) services and facilities provided to individual carriers purchasing interconnection. Bell Atlantic/NYNEX shall provide the Performance Monitoring Reports for an individual carrier to that carrier only.
- c. Bell Atlantic/NYNEX shall ensure that any individually identifiable carrier information contained in the Performance Monitoring Reports is disclosed only to the individual carrier. Bell Atlantic/NYNEX shall not use any individually identifiable carrier information for any purpose other than providing and reporting on its provision of services and unbundled network elements to the individual carrier.
- d. Bell Atlantic/NYNEX shall provide Performance Monitoring Reports to carriers purchasing interconnection from Bell Atlantic/NYNEX beginning 90 days after Commission approval of the merger and no less than quarterly thereafter, except that data for certain measures may not be available by the time of the first report, in which case the measure shall be included beginning with the second report. Bell Atlantic/NYNEX shall make the Performance Monitoring Reports available to the Commission and to state commissions, and shall permit carriers receiving such reports to make the reports available to the Commission and to state commissions, subject to requests for confidential treatment on behalf of Bell Atlantic/NYNEX.
- e. Bell Atlantic/NYNEX shall maintain in its files each quarterly Performance Monitoring Report for a period of three years from publication.
 - f. As provided in Attachment A, Bell Atlantic/NYNEX shall provide access to

the available data and information necessary for a carrier receiving Performance Monitoring Reports to verify the accuracy of such reports.

- g. To the extent that Bell Atlantic/NYNEX is required by a state commission to produce performance reports containing information in addition to that set out in Attachment A, Bell Atlantic/NYNEX also shall provide such reports to the Commission upon request.
- h. Bell Atlantic/NYNEX shall develop a detailed narrative description of the processes it employs in responding to calls from: i) its retail customers, and/or its local exchange affiliate's customers (if Bell Atlantic/NYNEX decides to operate a wholesale carrier); and ii) customers of carriers purchasing interconnection (e.g., what happens if a Bell Atlantic/NYNEX customer calls to report trouble with a line versus what happens if a competing carrier's customer calls with the same complaint). These narrative descriptions shall be made available to carriers purchasing interconnection, the Commission and state commissions upon request.
- i. The measurements in the Performance Monitoring Reports described herein will cover no larger an area than a single state.
- 2. Bell Atlantic/NYNEX shall provide uniform interfaces for use by carriers purchasing interconnection to obtain access to operations support systems as follows:
- a. Bell Atlantic/NYNEX shall undertake all commercially reasonable efforts to implement each industry adopted standard or guideline established by the Alliance for Telecommunications Industry Solutions (ATIS) for interfaces used by carriers purchasing interconnection to obtain access to operations support systems (OSS) as soon as reasonably possible, and in any event no later than 180 days after final adoption by ATIS. For those standards or guidelines that have been adopted prior to Commission approval of the merger, BA/NYNEX shall fully implement such standards or guidelines as soon as reasonably possible, and in any event no later than 180 days after final approval of the standards or within 150 days from the date of Commission approval of the merger, whichever is later.
- b. For those functions for which ATIS has not adopted industry standards, Bell Atlantic/NYNEX initially shall undertake all commercially reasonable efforts to offer to all carriers purchasing interconnection uniform interfaces (including both a GUI-based or other comparable interface and an EDI-based or comparable application to application interface) within the NYNEX region as soon as reasonably possible and in any event within 120 days following Commission approval of the merger. Similarly, Bell Atlantic/NYNEX shall initially offer to all carriers purchasing interconnection uniform interfaces (including offering an EDI-based or comparable application-to-application ordering interface and making available, upon request, PC-based software comparable to a GUI-type interface) within the Bell Atlantic region as soon as reasonably possible and in any event within 120 days following Commission approval of the merger.
 - c. Subsequently, Bell Atlantic/NYNEX shall undertake all commercially

reasonable efforts to offer to all carriers purchasing interconnection_throughout the joint Bell Atlantic/NYNEX region uniform interfaces (including both a GUI-based or other comparable interface and an EDI-based or comparable application to application interface) as soon as reasonably possible and in any event no later than 15 months following Commission approval of the merger.

- d. Throughout this period, Bell Atlantic/NYNEX shall continue to make available to carriers purchasing interconnection any existing interfaces that Bell Atlantic and NYNEX have agreed to provide in any interconnection agreements previously entered into with such carriers (unless such carriers agree otherwise).
- 3. Bell Atlantic/NYNEX shall conduct operational testing of the interfaces used by carriers purchasing interconnection to obtain access to operations support systems as follows:
- a. Bell Atlantic/NYNEX shall conduct carrier-to-carrier testing of its interfaces for obtaining access to operations support systems with carriers that request to engage in such testing. Bell Atlantic/NYNEX shall agree to conduct such carrier-to-carrier testing prior to entering into an interconnection agreement with a requesting carrier, and shall be ready to begin such testing as soon as reasonably possible after receiving a request and in any event upon no more than 45 days after a request for such testing has been received. This carrier-to-carrier testing shall be conducted using noncommercial orders to ensure compatibility between the two carriers' systems. The two carriers shall determine the appropriate time period for the duration of such a test. Bell Atlantic/NYNEX shall not limit the opportunity for carrier-to-carrier testing to any individual carrier.
- b. Bell Atlantic/NYNEX shall provide evidence to the Commission, by no later than 6 months following Commission approval of the merger, to demonstrate that its interfaces for obtaining access to operations support systems are capable of handling the reasonably expected demands for pre-ordering, ordering, provisioning, billing, repair and maintenance with respect to resold services, unbundled network elements, and combinations of unbundled elements. This evidence shall include, among other things, the operation of such interfaces at actual commercial volumes, the results of testing conducted in conjunction with independent third parties, the results of carrier-to-carrier testing, and the results of internal testing.
- 4. Bell Atlantic/NYNEX shall propose in interconnection negotiations and arbitrations, and shall propose to state regulatory commissions within 90 days following Commission approval of the merger, the following options to carriers purchasing interconnection and that otherwise would incur one-time, non-recurring charges. These options shall be proposed in addition to the option of paying one-time, non-recurring charges.
- a. With respect to non-recurring charges for resold services and for unbundled network elements, Bell Atlantic/NYNEX shall propose an option to permit carriers purchasing interconnection that otherwise would incur one-time, non-recurring charges to pay instead recurring charges for those services that are set at levels to recover the non-recurring amounts. Bell Atlantic/NYNEX shall charge an amount for this recurring charge option that

reflects the cost of money, anticipated bad debts, churn rates and costs of administration of the option. The price charged for the recurring charge option shall be designed to be revenue neutral to Bell Atlantic/NYNEX compared to the payment of a one-time charge, and shall be subject to periodic prospective adjustments to reflect actual bad debt experience and churn rates. Such adjustments shall occur, at a minimum, one year after any such option takes effect, and periodically thereafter as warranted. The offer shall apply to non-recurring charges incurred for resold services and for unbundled network elements purchased by telecommunications carriers for the provision of basic residence and business dial tone line exchange or exchange access services (including vertical features) to retail customers.

- b. With respect to non-recurring charges for collocation and for the establishment of office dialing plans, Bell Atlantic/NYNEX shall propose an option to permit carriers purchasing interconnection that otherwise would incur one-time, non-recurring charges to pay instead such charges on an installment basis over a period of up to 18 months. A carrier shall be eligible for this installment option only if it and its affiliates (as affiliates are defined in the Communications Act of 1934, as amended), if any, have gross revenue of less than \$2 billion per year arising from the provision of telecommunications services or facilities. Bell Atlantic/NYNEX shall charge an amount for this installment option that reflects the cost of money, anticipated bad debts, and costs of administering the option. The price charged for the installment option shall be designed to be revenue neutral to Bell Atlantic/NYNEX compared to the payment of a one-time charge, and shall be subject to periodic prospective adjustments to reflect actual bad debt experience. Such adjustments shall occur, at a minimum, one year after any such option takes effect, and periodically thereafter as warranted.
- c. Bell Atlantic/NYNEX shall propose, in interconnection negotiations and arbitrations, mechanisms for the payment of non-recurring charges for collocation that are consistent with the Commission standards established in *Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection Through Physical Collocation for Special Access and Switched Transport*, CC Dkt 93-162, Second Report and Order, FCC 97-208 ¶¶ 32-33, 45-51, 54-56 (June 13, 1997).
- 5. Bell Atlantic/NYNEX shall provide, to carriers purchasing interconnection, shared transport as an unbundled network element at usage sensitive (minutes of use) rates that are based upon forward-looking, economic costs for use in providing telephone exchange and exchange access service. Bell Atlantic/NYNEX shall provide such shared transport in conjunction with unbundled local switching, for traffic that is originated by and terminated to a purchasing carrier's end user subscriber to be routed in the same manner as Bell Atlantic/NYNEX's own traffic without the payment of interstate interexchange access charges.
- 6. To the extent Bell Atlantic/NYNEX proposes rates, including in interconnection negotiations and arbitrations, for interconnection, transport and termination, or unbundled network elements, including both recurring and non-recurring charges, any such proposal shall be based upon the forward-looking, economic cost to provide those items.
 - 7. Bell Atlantic/NYNEX shall engage in good faith negotiations with carriers

purchasing interconnection in response to reasonable requests to establish performance standards subject to reasonable requirements governing mutuality of performance in the following areas:

- a) Pre-ordering, including the response time of the pre-ordering interface and the availability of the pre-ordering interface;
- b) Ordering, including the timeliness of order confirmation and order rejection notifications;
- c) Provisioning, including the average provisioning interval offered, the average interval in which provisioning is completed, missed installation appointments, and installation trouble reports received within 30 days;
- d) Billing, including the timeliness of the wholesale bill and the timeliness of the daily usage feed;
- e) Maintenance and repair functions, including the mean time to repair, missed repair appointments, and the percentage of repeat trouble reports; and
 - f) Network performance, including network blockage.

In addition, Bell Atlantic/NYNEX shall engage, upon reasonable request, in good faith negotiations to establish appropriate enforcement mechanisms to ensure compliance with each standard, including good faith negotiations upon reasonable request for private or self-executing remedies.

- 8. These commitments shall sunset 48 months after Commission approval of the merger.
- 9. Bell Atlantic/NYNEX shall negotiate supplements or amendments to existing interconnection agreements where necessary in response to a request that is covered by the conditions contained herein from a carrier purchasing interconnection. This condition shall apply regardless of whether such existing agreements expressly provide for amendment or modification. Bell Atlantic/NYNEX shall treat the commitments as amendments to Commission rules in interpreting any clauses that permit amendments to interconnection agreements to take into account changes in Commission rules.

APPENDIX D

PERFORMANCE MONITORING REPORTS

As a condition of the grant authorized herein and as specified in Appendix C, Bell Atlantic and NYNEX shall provide Performance Monitoring Reports as set forth below.

General Notes & Definitions:

Provide reports on a Quarterly basis with monthly information detail.

- Resale POTS services includes basic residential or business local services, also includes ISDN
- Resale Specials include Services at the DS0, DS1 or DS3 level requiring design intervention. Includes Chantries, PBX trunks, channelized services or any service where engineering or special design is required.
- UNE POTS elements include individual or any combination of the following elements: Local loop, analog line switch port, with or without shared transport.
- UNE Specials include individual or any combination of the following elements: DS0 loop with Interoffice facility (extended link similar to fx line); any DS1 channelized or not channelized loop; any DS3 loop; with or without switching element and with or without shared transport, and; signaling links.
- Interconnection Trunks: generally provided at DS0 level, but ordered at DS1.
- Flow-Through Orders are orders (not rejected) where no manual intervention is required by BA/NYNEX personnel until the order reaches Provisioning (legacy) Systems (i.e., Assignment, Translation, and dispatch systems)
- Unless limited by existing system constraints, raw data (including paper) will be kept for a minimum of 150 days. Provisioning data will be maintained for 2 years, with the exception of Installation Trouble Reports.
- When complaints are pending, BA/NYNEX agrees to capture all available data before automatic system data purges.
- A status report on development of new metrics, including average provisioning time of customers switching back to BA/NYNEX, for UNE loop will be provided in 120 days.

Pre	Pre-Ordering		
Ι.	Response time OSS Interface	 Definition: Average Response time per transaction for: 1) Customer Service Record 2) Due Date Availability, Address Validation, Feature Function Availability and Telephone number selection and reservation Methodology: Sample method via simulation of Service representative requests. Sampled throughout the day. Note: information will be provided to Carriers in greater detail upon receipt of reasonable request. Report Level: Not Carrier specific. Overall performance of OSS, not product/service specific 	
2.	OSS Interface Availability	Definition: % of Time OSS Interface is actually available compared to scheduled availability. Methodology: System Reports. Note: Scheduled downtime of legacy OSS to be provided to carriers. Major legacy system failures will be communicated to carriers as soon as possible. Report Level: Not Carrier specific. Overall performance of OSS, not product/service specific	

Ordering

3. Order Confirmation Timeliness

Definition:

Average response time from receipt of service request to distribution of order confirmation

Methodology:

Flow-Through Orders: OSS to provide data on a carrier specific basis.

Manual Input Orders: Manual Tracking - 100% sample by carrier for Trunks and UNE. Resale - currently statistical sample. 100% metric under development.

Report Level:

Carrier specific. Reported on a per order basis as follows:

- Interconnection Trunks:
 - Average Response Time
 - % > 10 Days
- UNE (POTS):
 - < 10 lines/circuits and ≥ 10 lines/circuits
 - Mechanized Orders and Non-Mechanized Orders
- UNE (Specials):
 - < 10 lines/circuits and \geq 10 lines/circuits
 - Mechanized Orders and Non-Mechanized Orders
- Resale (POTS):
 - < 10 lines/circuits and ≥ 10 lines/circuits
 - Mechanized Orders and Non-Mechanized Orders
- Resale (Specials):
 - < 10 lines/circuits and \geq 10 lines/circuits
 - Mechanized Orders and Non-Mechanized Orders

4.	Reject Timeliness	Definition:
	· ·	Average response time from receipt of service request to
		distribution of rejection.
		Methodology:
		Flow-Through Orders: OSS to provide data on a carrier
		specific basis.
		Manual Input Orders: Manual Tracking - 100% sample by
		carrier for Trunks and UNE. Resale - currently statistical
		sampling. 100% sample under development
		Report Level:
		Carrier specific. Reported on a per order basis as follows:
		• Interconnection Trunks:
		Average Response Time
		• % > 10 Days
		• UNE (POTS):
		• < 10 lines/circuits and ≥ 10 lines/circuits
		Mechanized Orders and Non-Mechanized
		Orders
		• UNE (Specials):
		• < 10 lines/circuits and ≥ 10 lines/circuits
		 Mechanized Orders and Non-Mechanized
		Orders
		• Resale (POTS):
		• < 10 lines/circuits and ≥ 10 lines/circuits
		 Mechanized Orders and Non-Mechanized
		Orders
		• Resale (Specials):
		• < 10 lines/circuits and ≥ 10 lines/circuits
		Mechanized Orders and Non-Mechanized
		Orders
5.	% Rejects	Definition:
		% of total orders received rejected by BA/NYNEX due to
		error or omission.
		Methodology:
		Manual tracking for non-flow through orders. Mechanized
		tracking for flow-through.
		Report level:
		Carrier specific. Tracked separately for Interconnection
		Trunks, UNE and Resale.

6.	Timeliness of Completion	Definition:
	Notification	Average response time from actual completion date to
		distribution of order completion notification.
		Methodology:
		Under development - Notification for Trunks and HOT
		Cut (Loop) orders is done via live phone call upon turn up
		of circuit. Serial numbers need to be provided by
		Competing Carriers for systems tracking. Notification for
		Other UNE and Resale to be completed via electronic
		notification. Mechanized metric under development.
		Report level:
		Carrier specific. Tracked separately for Interconnection
		Trunks, UNE and Resale.
7.	% Flow Through Orders	Definition:
		The number of orders processed directly to legacy
		Provisioning system without manual intervention as a
		percent of total orders received.
		Methodology: Mechanized metric
		Report level: Initially aggregate measure. Carrier specific
		under study for development. Reported separately for
<u> </u>		UNE and Resale.

Pro	ovisioning	
Pr ₍₈ .	Average Offered Interval	Definition: Average time from receipt of (accepted) service request to due date provided on order confirmation. Excludes order where customer requested Due Date is beyond offered interval. Methodology: Mechanized metric from ordering system. Report level: Reported by Carrier on a per order basis as follows: Interconnection Trunks: UNE (POTS): by groups of lines on single order. NYNEX breakout, separately tracked for dispatch and no dispatch, as follows (BA breakout to be provided within 10 days): 5 lines/circuits 6 - 9 lines/circuits UNE (Specials):
		 by groups of lines on single order similar to UNE (POTS) described above
		 Resale (POTS): by groups of lines on single order similar to UNE (POTS) described above

Resale (Specials):

by groups of lines on single order similar to UNE (POTS) described above

9.	Average Completed Interval	Definition:
	Total State Control of the Control o	Average time from receipt of (confirmed) service request
		to actual order completion date. Excludes orders where
		customer requested dates are beyond offered interval.
		Methodology:
		Mechanized metric from ordering system.
		Report level:
		• Interconnection Trunks:
		• UNE (POTS): by groups of lines on single order.
		NYNEX breakout, separately tracked for dispatch and
		no dispatch, as follows (BA breakout to be provided
		within 10 days):
		5 lines/circuits
		• 6 - 9 lines/circuits
		10 lines/circuits
		• UNE (Specials):
		 by groups of lines on single order similar to
		UNE (POTS) described above
		• Resale (POTS):
		 by groups of lines on single order similar to
		UNE (POTS) described above
		• Resale (Specials):
		 by groups of lines on single order similar to
		UNE (POTS) described above
10.	% Completed within 5 days	Definition:
	(POTS 5 or less lines)	Measure of orders completed within 5 days of receipt of
		confirmed service request for POTS services - with 5 or
		less lines on an order. Excludes orders where customer
		requested dates are beyond offered interval. Excludes
		HOT Cut Loop orders (due to coordination requirements).
		Methodology:
		Mechanized metric from ordering system.
		Report level:
		Resale and UNE POTS

NOTE: Metric developed for NYNEX region. Under development for BA region. BA metric to be developed

within 120 days of merger approval

11. % Missed Installation	Definition:
Appointments	 % of Orders where completions are not done by due date on order confirmation. Excludes misses where the competing carrier or end user causes the missed appointment. Information on details for reason is available on an order specific basis upon reasonable request by carriers. Methodology: Mechanized metric from ordering system. Report level: Carrier specific. Reported on a per line basis. Reported as follows: Interconnection Trunks UNE POTS - dispatch and no dispatch Resale POTS - dispatch and no dispatch
12. Facility Missed Orders	 Resale Specials % orders with missed committed due dates due to lack of facilities Carrier specific basis as follows:
	 Interconnection Trunks UNE POTS - dispatch and no dispatch UNE Specials Resale POTS - dispatch and no dispatch Resale Specials NOTE: Additional metric under development for NYNEX region. Metric under development for BA region. BA/NYNEX metric to be developed within 120 days of merger approval
13. % Installation Troubles within 30 Days	Definition: Troubles received on lines within 30 days of service order activity as a percent of lines ordered in 30 days. Methodology: Mechanized metric trouble reports captured in maintenance data, lines ordered from ordering system. Report level: Carrier specific. Reported on a per line basis. Reported as follows: Interconnection Trunks UNE POTS UNE Specials Resale POTS Resale Specials

Maintenance		
14. Customer Trouble Report Rate	Definition: Initial Customer direct or referred troubles reported within a calendar month where cause is determined to be found to be in the network (not customer premises equipment, inside wire, or carrier equipment) per 100 lines/circuits in service. Methodology: Mechanized metric trouble reports and lines in service captured in maintenance data base. Report level: Carrier specific. Reported on a per line basis. Reported as follows: Interconnection Trunks UNE POTS UNE Specials Resale POTS	
15. Missed Repair Appointments	 Resale Specials Definition: % of Trouble reports not cleared by date and time committed. Excludes misses where the competing carrier or end user causes the missed appointment. Appointment intervals vary with force availability in the POTS environment. Specials and Trunk intervals are standard interval appointments of no greater than 24 hours Methodology: Mechanized metric from maintenance data base(s). Report level: Carrier specific. Reported on a per line basis. Reported as follows: • UNE POTS - Dispatched and Not Dispatched • Resale POTS - Dispatched and Not Dispatched 	

16. Mean Time to Repair	Definition:
	Average duration time from receipt of trouble report to
	clearing of trouble report. Stop Clock (for specials and
	trunks). Stop clock refers to the time from trouble
	clearance to validation of trouble closure by carrier.
	(Administrative time)
	Methodology:
	Mechanized metric from maintenance data base(s).
	Report level:
	•
	Carrier specific. Reported on a per line basis. Reported as follows:
	• Interconnection Trunks
	• UNE POTS
	• UNE Specials
	• Resale POTS
	Resale Specials
17. Out of Service > 24 Hours	Definition:
	For Out of Service Troubles (No Dial Tone, can not be
	called or can not call out): the percent of troubles cleared
	in excess of 24 hours.
	Methodology:
	Mechanized metric from maintenance data base(s).
	Report level:
	Carrier specific. Reported on a per line basis. Reported
	as follows:
	 Interconnection Trunks
	• UNE POTS
	• UNE Specials
	 Resale POTS
	 Resale Specials
18. % Repeat Trouble Reports	Trouble reports on the same line/circuit as a previous
within 30 days	trouble report within the last 30 calendar days as a percent
	of total troubles reported.
	Methodology:
	Mechanized metric from maintenance data bases
	Report level:
	Carrier specific. Reported on a per line basis. Reported
	as follows:
	 Interconnection Trunks
	• UNE POTS
	• UNE Specials
	• Resale POTS
	 Resale Specials
Network Performance	

20.	% Common Trunk Blocking% Dedicated Final TrunkBlocking	Measure of trunk groups above .005 standard during busy hour on a monthly basis. Standard blocking report for trunk groups for local traffic from all end offices to tandems. Engineering design blocking standard = P.005. Not Carrier or BA/NYNEX specific. Measure of final trunk groups above .01 standard during busy hour on a monthly basis. Engineering design blocking standard = P.01. Carrier specific metric for dedicated trunks.
Billi		
21.	Timeliness of Daily Usage Feed • % in 3 business days • % in 4 business days • % in 5 business days • % in 8 business days	Measure the number of business days from message creation date to date message information is available to CLEC on Daily usage feed (DUF). Includes messages originating at BA/NYNEX switches (resale and UNE switching), and not alternately billed messages received from other incumbent LECs. Not currently carrier specific. (Note: when carrier specific measures are available - this will be provided). Until new report is available, upon reasonable request of carrier, carrier specific reports will be run.
22.	Timeliness of Carrier Bill	Measure % of carrier bills ready for distribution to carrier within 10 business days of bill date. Methodology: Mechanized measure out of CABS billing system for UNE and Interconnection Trunks and Minutes of Use. For NYNEX, utilizes retail billing system for Resale and manually tracks billing timeliness. BA mechanically tracks resale billing. Report Level: per carrier